



LINDA LINGLE
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LT. GOVERNOR

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MARK E. RECKTENWALD
DIRECTOR

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DEPUTY DIRECTOR

July 12, 2006

Ms. Kealii Lopez
President and CEO
Olelo – The Corporation for Community
Television
1122 Mapunapuna Street
Honolulu, Hawaii 96819

Mr. Juergen Denecke
Executive Director
Na Leo O Hawaii, Inc.
91 Mohouli Street
Hilo, Hawaii 96720

Mr. Jay April
Chair, Board of Directors
Akaku: Maui County Community Television
333 Dairy Road, Suite 104-A
Kahului, Hawaii 96732

Mr. J. Robertson
Executive Director
Hoike – Kauai Community Television, Inc.
P.O. Box 1707
Lihue, Hawaii 96766

Dear Ms. Lopez and Messrs. Denecke, April, and Robertson:

Re: Inventory of PEG Facilities and Equipment and List of PEG Access Services

On June 16, 2006, the State Procurement Office (“**SPO**”) determined that DCCA’s contracts for public, educational, and governmental (“**PEG**”) access services shall be awarded in accordance with the State’s Procurement Code. The SPO recognized that it is in the public’s interest to continue PEG access services until the procurement process can be completed, and therefore, authorized an exemption for one year (i.e., from July 1, 2006 to June 30, 2007).

Because DCCA is in the process of implementing the competitive procurement process, we have extended the existing PEG contracts through December 31, 2006. Under those extensions, the PEG access organizations will continue to operate under and comply with the terms of the existing contracts, including but not limited to all reporting requirements.

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Paragraph N ("Relinquishment and Return of Access Funds, Facilities and Equipment") of the current contracts states that in the event a contract is terminated, the respective PEG access organization shall immediately relinquish any and all claims to the Access Fees, Facilities and Equipment Fund, and the access facilities (this includes all buildings and/or real estate) and equipment purchased or acquired in whole or in part with the Access Fees, and Facilities and Equipment Fund. Because these fees, facilities, and equipment belong to the State, DCCA may wish to identify these items in the RFP as resources that will be available to prospective bidders.

Accordingly, DCCA hereby requests that the PEG access organizations provide DCCA with: (1) the balances of all Access Fees, and in the Facilities and Equipment Fund, and (2) a detailed inventory of all facilities, buildings, real estate, and equipment that were purchased or acquired in whole or in part with the Access Fees, and Facilities and Equipment Fund. The balances and inventory shall be prepared as of July 15, 2006, and shall be submitted to DCCA by August 14, 2006.

In addition, DCCA would like input from each PEG access organization on the activities and responsibilities that it performs, so that these can be considered in the development of RFP scope of services. DCCA requests that you submit that list of PEG activities and responsibilities by August 14, 2006 as well.

Thank you in advance for your continuing cooperation and assistance in this matter. If you have any questions on the above, please do not hesitate to contact Mr. Clyde S. Sonobe, the Cable Television Administrator, at (808) 586-2620.

Sincerely,



Mark E. Recktenwald
Director of Commerce and Consumer
Affairs

c: Clyde S. Sonobe